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COMPARATIVE ABSTRACT OF THE 1934 AND
THE 1935 CORN-HOG CONTRACTS

I. ADJUSTMENTS IN PRODUCTION

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A. Corn acreage reduction from the 1932-1933 (2 year average) base for which adjustment payments were or will be made:

Minimum required - 20%
Maximum 30%
(Reduction above 20% optional)

Minimum required - 10%
Maximum 30%
(Reduction above 10% optional)

No reduction required and no adjustment payments made where the average corn acreage for 1932 and 1933, exclusive of acreage from which corn was utilized as silage or cut green, was less than 10 acres.

Same as in 1934.

B. Hog reduction from 1932-1933 (2 year average) base for which adjustment payments were or will be made:

1. Litters - - - - - 25%
2. Total production for market 25%
3. Purchase of feeder pigs not to exceed number in feeder pig base. (Original provision later modified to permit unlimited purchase in order to expedite the transfer of pigs from drought stricken areas.)
4. Elective exemption from hog reduction: Where 1932-1933 average number of litters was less than 4, no reduction in hogs was required; if no reduction was made no adjustment payments were made and total hog production could not exceed the base production.

1. Litters - no restriction
2. Total production for market - 10%
3. No restrictions on purchases of feeder pigs from either contract signers or non-signers.
4. In general, the same provision as 1934, except that basis for electing exemption is 15 hogs rather than "less than 4 litters."

C. Utilization of crop acres.

Acreage shifted from corn was contracted to the Secretary with specified limitations on the use of such acreage. There were also limitations on the acreage of all basic crops and the total acreage of feed crops.

Unlimited use (except for corn) of all land not in corn including the acreage shifted from corn production and for which adjustment payments are made.

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D. Additional requirements.

Not to increase the numbers of any kind of livestock designated as a basic commodity (or a product of which is designated as a basic commodity) over the 1932 or the 1933 number, whichever was higher.

No restrictions on the numbers of other classes of livestock.

II. ADJUSTMENT PAYMENTS.

A. The payments for corn acreage adjustment were established at:

30 cents per bushel on the estimated average production for 1934 on the acreage shifted from corn, that is, the particular acres set aside and designated as "contracted acres."

35 cents per bushel on the estimated corn production for the number of acres by which the 1935 corn acreage is less than the 1932-1933 average acreage, yields to be based on the average productive capacity in 1935 of ALL land in the farming unit which has been in corn at least once during the 5 year period 1930-34 inclusive.

65-bushel maximum yield per acre on which payment would be made.

60-bushel maximum yield per acre on which payment will be made.

B. The payments for hog adjustment were established at:

\$5.00 per head on 75 percent of the average number of hogs produced for market during the base period (This was the equivalent of \$15 per head on the 25% reduction in hog numbers from the hog base.)

\$15 per head on 10% of the average number of hogs produced for market during the base period.

C. Number and time of payments:

Two corn payments and three hog payments as follows:

Upon acceptance of contract by the Secretary, \$2.00 per head on 75% of hog base and 15 cents per bushel on estimated yield of shifted acres.

\$1 per head of hog payment and 15 cents per bushel of corn payment (less pro-rata share of expenses for local administration) on or after Nov. 15, 1934.

Two corn payments and two hog payments as follows:

Upon acceptance of contract by the Secretary, \$7.50 per head on 10% adjustment in hog production and 15 cents per bushel on production estimated for acreage retired from corn production.

Balance of \$7.50 per head less pro-rata share of local administrative expenses, and 20 cents per bushel less pro-rata share of local administrative expenses on or about Jan. 1, 1936.

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\$2.00 per head of hog payment less
pro-rata share of local administrative
expenses on or about Feb. 1,
1935.

D. Source of money for adjustment payments:

In both instances the funds necessary to finance the adjustment payments to farmers are derived from processing taxes on corn and hogs.

III. SUPPLEMENTARY PROVISIONS.

A. For purposes of determining a "bona fide" farm operator (a prerequisite to obtaining a corn-hog contract and adjustment payments) the following definition has been established:

None

Burden of proof that applicant was not a bona fide farm operator rested largely upon the county allotment committee. No definite standards of measurement or definition established.

1. Any applicant for 1935 contract who did not in 1934
 - (a) plant at least 25% of corn base, or
 - (b) either own when farrowed 25% of base litters, or produce for market 25% of hog base shall be presumed not to be a bona fide farm operator.
2. Any contract signer in 1935 must meet above requirements with respect to 1935 operation to be eligible for payments as a bona fide farm operator.
3. Exceptions to 1 and 2 above may be made by county allotment committee upon presentation of satisfactory evidence that the applicant or contract signer had not or was not retiring from corn and hog production.

B. Land covered by the contract where the farming unit contains tracts of land rented on shares from two or more different landlords, or where it contains land owned (or considered as if owned) by producer along with tracts rented on shares from one or more different landlords.

If contracted acres were located on two or more separately owned tracts, a separate contract was required for each such tract, but all land in the farming unit had to be under contract.

All such tracts may be included in one contract or two or more contracts may be used, each contract carrying the corn data for the specific tract of land covered by the contract involved.

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- C. Division of corn payments where two or more separately owned tracts of land are rented on share basis and included in one farming unit.

Each such separately owned tract having contracted acres was covered by separate contract; payments were made in same proportion as division of crop between landlord and tenant.

1. When two or more of such separately owned tracts are covered by one contract, each separately owned tract will be credited with that portion of the total payment which is proportionate with the percentage of the total corn acreage adjustment for the farming unit which is made on that separately owned tract; payment credited to each tract will be divided between tenant and landlord in same proportion as the corn crop is divided.
2. Or (alternate to No. 1) on application of the producer and approval by the county committee, the percentage of the total corn adjustment payment to be credited to each separately owned tract will be the percentage that the corn base on this tract is of the total corn base for all land covered by the contract; the division between tenant and landlord of the payment "accruing" to each tract to be in same proportion as the corn crop is divided.

D. Determination of hog base.

Every contract signer had to present satisfactory evidence to establish a hog base if he was a hog producer.

In most cases the hog base established in 1934 will continue through 1935. Individuals signing a contract for the first time in 1935 must present satisfactory evidence to establish a base as was the case in 1934. Other variations limited to special situations.

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E. Transfer of hog base.

Retiring producer could transfer his hog base (or a portion of same) to a new producer who in turn could produce up to 75% of this transferred hog base without receiving hog payments and at the same time be eligible for corn adjustment payments.

F. Permission to increase production of corn or hogs in excess of the 1932-1933 (2 year average) base production without adjustment payments on corn or hogs, respectively, where this permission is utilized.

Where all cultivated acres in 1932 and 1933 were planted to canning crops, county allotment committees could permit up to 40% of the tillable acres to be planted to corn - with no corn payment - and the producer would still be eligible for a hog payment.

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No provision for such transfer of base in 1935. The 1934 experience indicated practically no demand for such rule. Farmers who received a hog base by transfer last year may produce up to 90% of this base in 1935.

Where producer can submit evidence to the county allotment committee that the 1932-1933 production was abnormally low because of unusual circumstances and upon approval by the Corn-Hog Section, production in excess of base may be permitted as follows:

1. Corn

(a) Where the ratio of harvested corn acreage to harvested crop acreage in the county or other minor civil division is 40% or greater, a producer may grow up to 36% of the number of acres in his farming unit from which a cultivated crop has been harvested at least once in the past 5 years (1930-1934, inclusive).

(b) Where this ratio is less than 40% in the county or other minor civil division, the producer may grow 90% of this ratio times the number of acres in his farming unit from which a cultivated crop has been harvested at least once during the past 5 years (1930-1934, inclusive).

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2. Hogs

Upon proper approval a producer may increase hog production from 1935 litters up to 90% of a number which is determined by multiplying the adjusted corn base on the farming unit by the adjusted corn yield per acre and dividing this product by 30. (Such number shall not exceed one hog per acre of the corn base.)

- G. All regulations regarding identification, permissible use, etc. of contracted acres are omitted in 1935 since the 1935 contract does not provide for definitely identified "contracted" acres.
- H. Other differences between the 1934 and 1935 contracts are restricted largely to considerations of infrequently occurring and very special cases, or to mechanics involved through the adoption of new record forms to be used in administering the program. The general administrative set-up and method of financing the local organizations are essentially the same in 1935 as in 1934.